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County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION LOS ANGELES, CALIFORNIA 90012 (213) 974-1101 http://ceo.lacounty.gov

September 18, 2007

To:

Supervisor Zev Yaroslavsky, Chairman

Supervisor Gloria Molina Supervisor Yvonne B. Burke Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

William T Fujioka

Chief Executive Officer

Board of Supervisors GLORIA MOLINA First District

YVONNE B. BURKE Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

LOS ANGELES WORLD AIRPORTS - SETTLEMENT AGREEMENT

On August 21, 2007, your Board instructed this Office and County Counsel to inquire of Los Angeles World Airports (LAWA) what steps have been taken to evaluate the suitability of Ontario and Palmdale airports to accommodate new large aircraft; evaluate whether LAWA's efforts in this regard are in compliance with the spirit of the settlement agreement regarding regionalizing air service; evaluate whether the overall intent of the settlement agreement has been met to date; and report to your Board within 30 days on these issues

We are working with LAWA to obtain the necessary information to respond to your Board's inquiry; however, due to vacation schedules involving key LAWA personnel, their offices have requested more time. As a result, we are targeting October 10, 2007, or earlier, to return to your Board with our final response.

Should you have any questions, please let me know, or your staff may contact Jerry Ramirez at (213) 974-4282 or realizer (213) 974-4282

WTF:LN:MKZ MLM:JR:pg

c:

County Counsel

A.C. Lazzeretto and Associates

2007-09 Los Angeles World Airports - Settlement Agreement Board Memo 09-18-07



County of Los Angeles CHIEF EXECUTIVE OFFICE

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> Board of Supervisors GLORIA MOLINA First District

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Fifth District

October 30, 2007

To:

Supervisor Zev Yaroslavsky, Chairman

Supervisor Gloria Molina Supervisor Yvonne B. Burke

Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

William T Fujioka

Chief Executive Officer

LOS ANGELES WORLD AIRPORTS - CAPACITY OF ONTARIO AND PALMDALE AIRPORTS AND COMPLIANCE WITH SETTLEMENT AGREEMENT

On August 21, 2007, on motion of Supervisor Michael D. Antonovich, the Board instructed the Chief Executive Office (CEO) and County Counsel to:

- 1. Inquire of Los Angeles World Airport Authority (LAWA) on what steps have been taken to evaluate the suitability of Ontario and Palmdale airports to accommodate the new large aircraft, the Airbus 380 (A380);
- 2. Evaluate whether LAWA's efforts in this regard are in compliance with the spirit of the Settlement Agreement regarding regionalizing air service; and
- 3. Evaluate whether the overall intent of the Settlement Agreement has been met to date.

Suitability of Palmdale and Ontario Airports to Accommodate New Large Aircraft

The CEO contacted the Chief of Airport Planning for LAWA, Michael J. Doucette, regarding the suitability of Ontario and Palmdale Airports in accommodating the A380. According to Mr. Doucette, all of LAWA's future airport planning work considers the possibility of the A380 operating at both airports. However, a major disadvantage is that the A380 was specifically designed for large, constrained airports such as LAX, London Heathrow, Hong Kong, Tokyo Narita Airport, etc., all with large international activity. Both Ontario and Palmdale Airports would need to develop significantly higher domestic passenger activity to help "feed" the international activity required with the A380. Without this activity, the aircraft cannot operate at these airports.

Each Supervisor October 30, 2007 Page 2

In addition, Mr. Doucette provided the following information regarding the suitability of Ontario and Palmdale Airports in accommodating the A380:

- Recent runway construction and improvements at Ontario Airport were completed
 with the expectation that United Parcel Service, one of the airports largest cargo
 operators, would utilize the A380 at Ontario. However, Airbus has suspended the
 development of the cargo version of the A380 aircraft and has not indicated when
 they may resume development at this time.
- Currently, Ontario Airport does not have adequate Federal Inspection Service Facilities that carriers would demand to effectively and efficiently process international flights involving the A380.
- Existing runways at Palmdale Airport would accommodate the A380; however, the taxiways leading to the terminal and the aircraft apron at the terminal would not support the weight of the aircraft.
- There are no processing facilities at Palmdale Airport to allow for international activity.

Compliance with LAX Master Plan Settlement Agreement

Both this Office and County Counsel have evaluated the Settlement Agreement between the County of Los Angeles and LAWA, and have determined that LAWA is in substantive compliance with the specific provisions regarding regionalization of air service, and is in general compliance with the overall intent of the Agreement thus far.

The Settlement Agreement contains two specific provisions regarding regionalization of air service: coordination of a Regional Working Group (Section VII), and development of a Regional Strategic Planning (RSP) initiative (Section VIII). In conjunction with the efforts of County Supervisor Don Knabe, Los Angeles City Mayor Antonio Villaraigosa, and U.S. Representative Jane Harman, LAWA has restarted the Southern California Regional Airport Authority (SCRAA) to address regional distribution of air service. Although SCRAA has met only sporadically over the last year and is still seeking a consensus on the appropriate form of the organization and its powers, LAWA appears to be in compliance with the coordination of the Regional Working Group initiative.

In regards to the RSP initiative provision, LAWA has not complied. LAWA was to develop initiatives to encourage expanded passenger and cargo use of Ontario and Palmdale Airports, with annual reports and marketing strategies. The first initiative was due by December 31, 2006; however, LAWA reports that the draft RSP initiative is still under

Each Supervisor October 30, 2007 Page 3

review by its management and would not be available for public comment until it is sent to the Board of Airport Commissioners. Therefore, it is our intention to request an official response from LAWA as to why they have not met this provision (this is the only provision not in compliance), and report back to your Board by the end of this year.

In regard to the remaining provisions of the Settlement Agreement, LAWA appears to be in general compliance thus far, however it should be noted that there have been delays in the implementation of certain provisions of the Settlement Agreement. The attached provides a summary of each of the Settlement Agreement provisions and their status.

If you have any questions or require additional information, please let me know, or your staff may contact Martin Zimmerman at (213) 974-1326.

WTF: LN:MKZ MLM:JR:pg

Attachment

c: County Counsel

A.C. Lazzaretto and Associates

2007-10 LA World Airports Memo to BOS 10-30-07

REVIEW OF LAX COMPLIANCE WITH STIPULATED SETTLEMENT REQUIREMENTS

ACRONYMS

ARSAC: Alliance for Regional Solution to Airport Congestion

Community Development Commission CDC:

CD 11: Council District 11

CNEL: Community Noise Equivalent Level EIR: **Environmental Impact Report** FAA: Federal Aviation Authority LAWA: Los Angeles World Airports LAX: Los Angeles International Airport

MAP: Million Air Passengers

Narrow Body Equivalent Gate NBEG: NA: Not Applicable to This Summary NLA: New Large Aircraft

ONT:

LA/Ontario International Airport

RSP: Regional Strategic Plan

South Airfield Improvement Project SAIP:

SCAG: Southern California Association of Governments SCRAA: Southern California Regional Airport Authority

SPAS: Specific Plan Amendment Study

SECTION #	SUMMARY OF SETTLEMENT AGREEMENT REQUIREMENTS	STATUS COMMENTS
I	Settlement Overview	NA
II	Dismissal of Actions, Release of Claims	NA
III	FAA Determination regarding LAWA Expenditures	LAWA has obtained the required FAA determination letters.
IV	Passenger Gate Provisions A. No more than 163 gates through December 31, 2015. B1. LAWA must eliminate 2 NBEGs per year, up to 10 total, with a maximum of 153 gates through December 31. 2020. B2. LAWA gets NBEG credits if gates are closed early. C. B1 does not apply if fewer than 75 MAP or Master Plan is revised to 153 gates or less. D. B1 does not apply during emergency or peak periods (up to 30 days of peak periods per year). E. B1 does not apply to general aviation, charters, etc. F. LAWA to identify gates to be closed; petitioners may conduct inspections four times per year. G. The West Satellite Concourse & Automated People Mover are no longer "yellow light' projects; Specific Plan to be amended accordingly with support of petitioners.	A through F. The City of El Segundo has taken the lead on conducting gate inspections. The City has conducted two inspections to date: 28 April 2006, and 29 January 2007. On the most recent inspection, a total of 158 gates were in operation, which is less than the 163 gates allowed by the Settlement Agreement through 2015. The next inspection will be conducted during Autumn of 2007. G. The Specific Plan was amended on August 9, 2007.
V	Specific Plan (SP) Amendment Study Process A. The SP Amendment Study Process was to begin within 60 days of the Settlement approval. B. LAWA was to make a good faith effort to complete Phase I, (selection of a contractor and preparation of a budget and scope of work) within 6 months of the commencement date. C. After Phase I, LAWA will prepare the SP Amendment Study, and all required environmental documents, to modernize LAX with service for no more than 78.9 MAP D. SP to focus on Yellow Light issues, security/traffic/aviation, environmental impacts & mitigations. E. LAWA to develop study methodology per CEQA/NEPA. F. LAWA may pursue non Yellow-light projects during study G. CEQA traffic analysis/fair share provisions. H. Final SP to conform to FAA requirements.	A. The Specific Plan Amendment Study (SPAS) process began within 60 days of the Settlement. B. Phase I is not yet complete. This effort has been stalled over the issue of the north airfield reconfiguration. A new safety study is now underway by NASA in an effort to move forward. C through I. These elements are awaiting completion of Phase I.
	I. Security issues to be assessed by experts. J. SP Advisory Committee to be created & consulted at major steps: LA City, LA County, El Segundo, Culver City, Inglewood, ARSAC.	J. The Advisory Committee met regularly from March 2006, until April 2007; the most recent meeting was held on October 11, 2007.

VI

Funding of Mitigation Measures:

LAWA to fund Mitigation Measures per Exhibit A (summarized below), provided FAA authorizes use of airport revenue funds.

A. Aircraft Noise Mitigation: This provision includes funding of \$20.6 million to LA County in 2 installments during 2006 & 2007. Other provisions address handling of unused funds, future funding, insulation of churches, land recycling, noise mitigation in Lennox, and rehabilitation of minor code violations, insulation pilot program, end-of-block soundproofing, and a Part 161 noise study to restrict departures over communities east of LAX from midnight-6:30am.

- B. Construction Noise Mitigation for the SAIP.
- C. Air Quality: 8 Fly-Away sites by 2015; conversion of ground support equipment to low emission technology; electricity to parked aircraft.
- D. Construction Air Quality Mitigation for the SAIP.
- E. Air Source Apportionment Study: LAWA to make a good faith effort to initiate this study of toxic air contaminants by December 31, 2006.
- F. Traffic Mitigation: Fund El Segundo traffic improvements; study possible extension of Century Blvd into Inglewood.
- G. Aesthetic Mitigation: Enhance LA/El Segundo Dunes; street lighting improvements in neighborhoods next to LAX.
- H. Job Training: \$500,000/year through 2011-2012 for airport job training; inclusion of Inglewood students in LAX Gateway Program.
- I. SAIP Hydrology Mitigations: Studies to address L.A. County concerns regarding SAIP drainage impacts.

- A. LAWA notes that it has provided Los Angeles County with \$20.6 million in grants as required under the Settlement Agreement for 2006-2007. The CDC provided the following additional details pertaining to Item A, Aircraft Noise: Aircraft Noise Insulation: The County received the first installment of \$15 million & 90% of the second for a total of \$20,040,000 received. Unused funds: The CDC is on track with the execution of construction contracts to ensure that the unused allocations are received in full. Noise mitigation in Lennox: LAWA has supported the County's request to provide noise mitigation for 215 additional units in Lennox; FAA has not yet granted approval to proceed. Code Violations: FAA has thus far denied LA County's request for permission to use funds for minor building rehab preliminary to insulation. End-of-Block Soundproofing: The County has provided LAWA with a list of eligible properties, but has not yet received approval to proceed. B. The SAIP is underway. LAWA has implemented a construction noise control plan and has
- agreement.
 C. With respect to Air Quality, LAWA notes that 2 fly-away sites have been opened to date: Union Station (opened in 2006) and Westwood (2007). Other sites are now being investigated. A ground support conversion policy is being developed at this time, and a survey of gate electrification is under review. LAWA has issued a new contract for use of a compressed natural gas bus at the Union Station fly-away site starting late in 2007.

established a noise monitoring and hotline program in accordance with the settlement

- D. The SAIP is underway. LAWA is in compliance with the air quality mitigation provisions of the settlement agreement.
- E. LAWA initiated work on the air source apportionment study in December 2006. The Technical Working Group has already completed a work plan for this study, and is coordinating closely with LAWA to support its implementation. LAWA has initiated work on a RFP to select the consultant.
- F. Information has not yet been received on the status of the traffic mitigation activities. The traffic mitigation projects proposed in the settlement agreement are not in the unincorporated areas adjacent to LAX.
- G. A Dune enhancement plan has been prepared and is now being reviewed by the petitioners. Information has not yet been received on the status of street lighting improvements.
- H. LAWA notes that students from Inglewood schools are a large part of the Gateways program, and it is working with affected parties to develop a job training program that meets FAA approval.
- I. LAWA has completed all hydrology mitigations in response to the County's concerns.

	Bogional Aiment Washing Comment	Attachinent
	Regional Airport Working Group LAWA to invite FAA, 5 Counties (LA, San Bernardino, Orange, Ventura, Riverside), SCAG & airport operators to participate in regional airport working group working toward regional distribution of air traffic. Group shall (a) coordinate with SCRAA; (b) consider regional airport authority joint powers agreement; & (c) support appropriate legislation to create such an authority. LA City to retain control of LAX, ONT, Palmdale & Van Nuys airports.	SCRAA has met four times since October 2006. The Board is still seeking a consensus on the appropriate form of the organization and its powers.
VIII	Regional Strategic Planning ('RSP') LAWA to develop RSP initiative to encourage expended passenger & cargo use of ONT & Palmdale airports, with annual reports & marketing strategies. First RSP initiative due by December 31, 2006.	LAWA reports the draft Regional Strategic Planning initiative is under review by management, and will not be available for public distribution until it has been sent to the Board of Airport Commissioners. No date for the release of the initiative has been set.
IX	Outreach to Airport Neighbors LAWA to join working group with ARSAC & CD 11 to assist BOAC in responding to neighbors' concerns and improving relations. Key goals of this effort are to effectively share info re LAWA & LAX Projects; identify and respond to neighbors' concerns re LAX operations; Coordinate LAWA staff responsibilities to respond to complaints & verify that complaints have been addressed; and work with neighbors & elected officials to resolve community issues about LAX operations; review position of stakeholder liaison.	LAWA and CD 11 approved a MOU in January 2007 to fund an independent Community Liaison position, which was filled, responsible for communicating issues and concerns between the community and LAWA. A new stakeholder position was authorized and filled in the Regional Planning Support Division in 2007. This LAWA position provides community liaison support to CDs 8, 9 and 10, as well as the County and El Segundo. Both positions support community outreach efforts for the SPAS.
×	Avigation Easements A. LAWA to refrain from requiring such easements as a requirement for funding sound insulation. B. Where acoustics are inadequate to achieve sound levels: * Easement may be required if home built after 1989. * If built before 1989 & exposed to 75 CNEL+, LAWA may require easement at Fair Market Value. * Easements must be acceptable to Caltrans C. Eligible homeowners must authorize & confirm installation, acknowledge extent of sound insulation mitigation. D. Does not impact rights under prior easements and agreements. E. Future zone changes that create noise impacted parcels shall be conditioned upon requiring an avigation easement.	The County and El Segundo have negotiated easement acquisition processes with LAWA; Based upon the number of affected residences, the CDC received \$2 million from LAWA to acquire noise easements from eligible homeowners in the unincorporated areas and the City of El Segundo has received \$3 million. There are no eligible residences in Inglewood.
ΧI	West Employee Parking Structure LAWA to prepare project EIR for West Employee Parking project before approvals are granted.	LAWA indicates that nothing has been initiated to date on this project pending the ongoing SPAS.
XII	LAX Connection to Green Line LAWA to study ways to connect LAX to Green Line; results to be compiled within 1 year of Settlement Agreement.	LAWA indicates that a Green Line Task Force Committee was established in April 2007 in response to Councilman Rosendahl's motion to review alternatives to bringing the Green Line into and through LAX. The committee will meet during October (date to be set) to review the draft report with the alternatives recommended for analysis in the SPAS EIR.
XIII	Enforcement	NA NA
XIV	Extraordinary Financial Situations	NA NA
XV	Miscellany	NA .